

RESPONSES TO MYTHS CONCERNING HR 3200

False claims on H.R. 3200, the healthcare reform bill in the U.S. House, are growing increasingly widespread, especially on the Internet and in forwarded emails. Below you will find passages from one such widely forwarded email. Each passage claims to describe a specific page or section of the bill, and each passage is either partially or wholly untrue. In bold beneath each claim we describe what each section of the bill actually addresses.

This is a prime example of the sort of misinformation being circulated. There are legitimate disagreements over what shape health care reform should take, but the discussion should center on facts and not misleading or false claims.

Chain Email Claim: "Pg 22 of the HC Bill MANDATES the Govt will audit the books of ALL EMPLOYERS that self insure!!"

- **Page 22 of H.R. 3200 requests a study, not an audit, of the effects to which rating rules are likely to cause adverse selection in the large group market and employer self insurance market insurance market. This does not require an audit of ALL employers that self insure**

Chain Email Claim: "Pg 30 Sec 123 of HC bill - THERE WILL BE A GOVT COMMITTEE that decides what treatments/benefits u get"

- **Nothing in the bill infringes upon you and your doctor's ability to make medical decisions. The National Health Benefits Advisory Council is not a "government committee" but is made up of providers, consumer representatives, employers, labor, health insurance issuers, independent experts and representatives of government agencies. They will make recommendations about minimum standards of care and covered benefits that insurance companies have to offer- ensuring that everyone has a health plan that provides them with adequate coverage.**

Chain Email Claim: "Pg 29 lines 4-16 in the HC bill - YOUR HEALTHCARE IS RATIONED!!!"

- **This is a misreading of the text. This section limits the amount of out-of-pocket costs you will face to \$5,000 for an individual and \$10,000 (indexed to CPI) for a family for a basic package of care. This ensures you have access to affordable care and won't go bankrupt paying for it.**

Chain Email Claim: "Pg 42 of HC Bill - The Health Choices Commissioner will choose UR HC Benefits 4 you. U have no choice!"

- **The Health Choices Commissioner is charged with ensuring insurance plans are meeting regulations and minimum standards as well as administering**

affordability credits and monitoring the exchange. Nothing in this section or in the larger bill permits the Health Choices Commissioner to choose your benefits for you

Chain Email Claim: “PG 50 Section 152 in HC bill - HC will be provided 2 ALL non US citizens, illegal or otherwise”

- **This is blatantly false. This section prohibits insurance companies from discriminating against persons when issuing coverage, and has nothing to do with government subsidized coverage to illegal immigrants. The bill explicitly states that no Federal payments will be used for affordability credits for illegal immigrants. (P. 143, sec. 246).**

Chain Email Claim: “Pg 58HC Bill - Govt will have real-time access 2 individuals' finances & a National ID Healthcard will be issued!”

- **This section says nothing about a National ID health card, or accessing your personal financial information. This section promotes administrative simplification- for example being able to look up your insurance coverage and determine how much you will pay and which provider your insurance will accept, at the point of service. This saves money and gives you, the consumer, information about what you will owe at the front end, rather than being denied or getting a surprise bill from your insurance company weeks after your treatment.**

Chain Email Claim: “Pg 59 HC Bill lines 21-24 Govt will have direct access 2 ur banks accts 4 elect. funds transfer”

- **This section encourages the development of standards to encourage electronic payments between providers and insurance companies. Administrative simplification measures like these save billions of dollars. Nothing will give the government access to your bank account.**

Chain Email Claim: “PG 65 Sec 164 is a payoff subsidized plan 4 retirees and their families in Unions & community orgs (ACORN).”

- **This section provides a limited reimbursement for participating employment-based private plans for part of the cost of providing health benefits to retirees (age 55-64) and their families. People who have been forced into early retirement in this age group do not qualify for Medicare and this will help them stay on their employer provided, private insurance plan if their employer wants to participate. Participation is voluntary. This is for all early retirees, and no language targets the provision towards unions or acorn.**

Chain Email Claim: “Pg 72 Lines 8-14 Govt is creating an HC Exchange 2 bring priv HC plans under Govt control.”

- **The bill imposes new regulations on private health care plans that will force them to end unethical practices such as rescissions or denying coverage based on pre-existing conditions. The Exchange will improve the quality of coverage and increase the affordability of private insurers in the Exchange.**

Chain Email Claim: “PG 84 Sec 203 HC bill - Govt mandates ALL benefit pkgs 4 priv. HC plans in the Exchange”

- **Insurance companies in the Exchange will have to offer a basic benefit packages in every service area. This package will include basic care such as hospitalization, physician visits, medical equipment, mental health, preventative care, maternity and well baby care, and drugs – services that anyone would expect a real insurance policy to cover. Private insurers may offer a higher tier of coverage with more benefits that are not mandated by the government if they choose.**

Chain Email Claim: “PG 85 Line 7 HC Bill - Specs for of Benefit Levels for Plans = The Govt will ration ur Healthcare!”

- **No, this determines the minimum standards insurance companies must offer coverage for- it has nothing to do with rationing. Private plans can offer extra benefits like dental or vision coverage for adults, or other non-covered benefits that are not included in the basic level plan.**

Chain Email Claim: “PG 91 Lines 4-7 HC Bill - Govt mandates linguistic approp svcs. Example - Translation 4 illegal aliens”

- **The bill requires plans in the Exchange to offer culturally and linguistic appropriate services. The U.S. is a diverse country culturally and linguistically. Many legal residents and citizens of the U.S. speak other languages, and implying that everyone of a different culture in the U.S. is here illegally is intolerant and incorrect. The bill explicitly states that it will not subsidize coverage for illegal immigrants. (P. 143, sec. 246).**

Chain Email Claim: “Pg 95 HC Bill Lines 8-18 The Govt will use groups i.e., ACORN & Americorps 2 sign up indiv. for Govt HC plan”

- **The Health Choices Commissioner will conduct outreach and enrollment activities to educate Exchange-eligible individuals and businesses about enrollment in the new Exchange, which includes many private plans along with the public option. This includes a toll-free hotline, maintenance of a website, creation of outreach materials, and community locations for enrollment.**

Chain Email Claim: “PG 85 Line 7 HC Bill - Specs of Ben Levels 4 Plans. #AARP members - U Health care WILL b rationed”

- **This section has nothing to do with seniors or Medicare. It describes the minimum benefits insurance plans must offer under the Exchange.**

Chain Email Claim: “PG 102 Lines 12-18 HC Bill - Medicaid Eligible Indiv. will be automat.enrolled in Medicaid. No choice”

- **Current law allows individuals to be auto-enrolled in Medicaid if they show up for health services and are eligible, so this is not a radical change. Only individuals that fall under 133% of the poverty level who have not had health insurance for six months will be auto-enrolled.**

Chain Email Claim: “pg 124 lines 24-25 HC No company can sue GOVT on price fixing. No "judicial review" against Govt Monop”

- **There is no judicial or administrative review for the payment rates set for the public option.**

Chain Email Claim: “pg 127 Lines 1-16 HC Bill - Doctors/ #AMA - The Govt will tell YOU what u can make.”

- **This section outlines payment policies for physicians participating in the public option only. No physician has to take the public option.**

Chain Email Claim: “Pg 145 Line 15-17 An Employer MUST auto enroll employees into pub opt plan. NO CHOICE”

- **No. You get to choose your health insurance from the choices your employer offers you. If you fail to do so, your employer will auto-enroll you in the lowest premium health plan (for employees) unless or until you opt into a different plan. You could not be auto-enrolled into the public option in the vast majority of cases because the public option is not even available outside the Exchange (only to individuals and small businesses). The bill specifically mandates that employers provide employees with info on how to opt out of the auto-enrollment coverage.**

Chain Email Claim: “Pg 126 Lines 22-25 Employers MUST pay 4 HC 4 part time employees AND their families.(this will insure bankruptcies of many small businesses)”

- **Employers will only pay a proportion of what they must pay for full-time employees. There is also a tax credit equal to 50% of the amount paid by a small employer for employee health coverage available to help with these**

costs and other protections to ensure that new requirements don't cause undue hardship for small businesses.

Chain Email Claim: "Pg 149 Lines 16-24 ANY Employer w payroll 400k & above who does not prov. pub opt. pays 8% tax on all payroll (this will insure more bankruptcies of many small businesses)"

- **All businesses, except *[Brooks-LaSure, Chiquita]* some small businesses that are exempted, must contribute to their employees' health insurance.*[Brooks-LaSure, Chiquita]* Most employers that are required to provide coverage under this bill already provide coverage—so little will change for them under this bill. they will continue to offer the coverage that they do today, and will not pay a tax. Some employers may choose to do so through the Exchange, *[Brooks-LaSure, Chiquita]* but no employer nor employees will *[Brooks-LaSure, Chiquita]* be forced to choose *[Brooks-LaSure, Chiquita]* any option. Employers that don't contribute to employees' health care will make a contribution to the Exchange, so their employees can access coverage there.**

Chain Email Claim: "pg 150 Lines 9-13 Biz w payroll btw 251k & 400k who doesn't prov. pub. opt pays 2-6% tax on all payroll (this will insure even more bankruptcies of many small businesses)"

- **All businesses, except *[Brooks-LaSure, Chiquita]* certain small businesses that are exempted, must contribute to their employees' health insurance. *[Brooks-LaSure, Chiquita]* Small businesses typically pay more for the same insurance that a large employer might offer. Small businesses will benefit from this legislation, because it will help lower their administrative costs and insurance rating, and increase options available to them. The House legislation helps level the playing field between large and small businesses that want to offer health insurance.**

Chain Email Claim: "Pg 167 Lines 18-23 ANY individual who doesn't have acceptable HC according 2 Govt will be taxed 2.5% of inc (this insures the government can collect extra taxes from you anytime they want)"

- **No, they can only collect the tax if you don't have insurance and can afford to purchase it. Acceptable coverage includes grandfathered individual and employer coverage (ie what you have now providing your insurance company complies with new laws), certain government coverage (e.g., Medicare, Medicaid, certain coverage provided to veterans, military employees, retirees, and their families), and coverage obtained pursuant to the Exchange or an employer offer of coverage.**

Chain Email Claim: "Pg 170 Lines 1-3 HC Bill Any NONRESIDENT Alien is exempt from indiv. taxes. (Americans will pay) (this will attract more millions to America..... legally and illegally.... it will kill our economic engine....DEAD!)"

- **Nonresident aliens and illegal aliens are not the same thing. A nonresident alien is a non-citizen in the country legally (for example on a visa) who has not resided in the country long enough to be considered a resident. This provision is consistent with current law governing tax treatment of non resident aliens.**

Chain Email Claim: "Pg 195 HC Bill -officers & employees of HC Admin (GOVT) will have access 2 ALL Americans finan/pers recs"

- **The Health Choices Commissioner can receive taxpayer return information from the Internal Revenue Service in order to assist the Exchange in determining subsidy eligibility. This is the only allowable use for this information.**

Chain Email Claim: "PG 203 Line 14-15 HC - "The tax imposed under this section shall not be treated as tax" Yes, it says that"

- **This is a technical wording to ensure appropriate function of the tax under the tax code.**

Chain Email Claim: "Pg 239 Line 14-24 HC Bill Govt will reduce physician svcs 4 Medicaid. Seniors, low income, poor affected"

- **Completely wrong. This section adjusts the way the sustainable growth rate (SGR) formula is calculated, helping to prevent massive cuts for physicians. All physicians and AMA are in strong support of this section. Also it is for Medicare, not Medicaid.**

Chain Email Claim: "Pg 241 Line 6-8 HC Bill - Doctors, doesn't matter what specialty u have, you'll all be paid the same"

- **Again, this still is part of the SGR adjustment- which applies to all specialties. Providers and AMA very strong supporters of this.**

Chain Email Claim: "PG 253 Line 10-18 Govt sets value of Dr's time, prof judg, etc. Literally value of humans."

- **This section directs the Secretary to regularly review fee schedule rates for physician services paid for by Medicare. It allows the secretary to incorporate all the work that a doctor does outside of the procedure when evaluating fee schedules: such as time, mental effort and professional judgment, technical skill and physical effort, and stress due to risk, and may include validation of the pre, post, and intra-service components of work. This doesn't have anything to do with the value of human lives.**

Chain Email Claim: "PG 265 Sec 1131 Govt mandates & controls productivity for private HC industries (this will kill free enterprise and drive many out of business.... less resources yet available for the boomers)"

- **This is a complete misreading of what this section is. This section updates the market basket payment for hospital outpatient services. Just because the word productivity is in there doesn't mean it is mandating productivity of industry – it just holds providers accountable to the same level of productivity as the whole economy, putting them on a level playing field.**

Chain Email Claim: "PG 268 Sec 1141 Fed Govt regulates rental & purchase of power driven wheelchairs"

- **No, this changes the way Medicare pays for power drive wheelchairs (13 month payments vs. one lump sum). It is essentially rent-to-own for power wheelchairs, and is one of the ways that Medicare already pays for wheelchairs.**

Chain Email Claim: "PG 272 SEC. 1145. TREATMENT OF CERTAIN CANCER HOSPITALS - Cancer patients - welcome to rationing!"

- **This is the opposite of rationing. This section allows Medicare to pay cancer hospitals more if they are incurring higher costs.**

Chain Email Claim: "Page 280 Sec 1151 The Govt will penalize hospitals 4 what Govt deems preventable readmissions."

- **Preventable readmissions are never desirable. Hospitals are dangerous places, and the more time spent in one, the greater risk of infection or harm to the patient. Right now, hospitals are paid for quantity of care, so the more you are readmitted, the more they get paid. This provision will help incentivize preventative measures and post-treatment coordination of care to keep you healthier.**

Chain Email Claim: "Pg 298 Lines 9-11 Drs, treat a patient during initial admitt that results in a readmiss-Govt will penalize u."

- **Preventable readmissions are never desirable. Hospitals are dangerous places, and the more time spent in one, the greater risk of infection or harm to the patient. Right now, hospitals and doctors are paid for quantity of care, so the more you are readmitted, the more they get paid. This will help incentivize preventative measures and post treatment coordination of care to keep you healthier.**

Chain Email Claim: "Pg 317 L 13-20 **OMG!! PROHIBITION** on ownership/investment. Govt tells Drs. what/how much they can own."

- **This prohibits expansion of physician-owned hospitals because they often drive up costs, duplicate health services, drain resources from community hospitals, and provide perverse incentives for doctors to self-refer patients to hospitals they have a stake in to perform procedures. For example, if a doctor self-refers you for a heart operation, he makes money on the procedure and the hospital he owns makes money too.**

Chain Email Claim: "Pg 317-318 lines 21-25, 1-3 PROHIBITION on expansion- Govt is mandating hospitals cannot expand"

- **Same as above.**

Chain Email Claim: "pg 321 2-13 Hospitals have oppt to apply for exception BUT community input required. Can u say ACORN?!!"

- **Physician-owned hospitals can apply for an exception to expand- and input of the community they serve is required to determine how valuable the hospital is to the patients they serve. Why does community automatically mean acorn?**

Chain Email Claim: "Pg335 L 16-25 Pg 336-339 - Govt mandates estab. of outcome based measures. HC the way they want. Rationing"

- **This section creates an incentive system to increase payments to high quality Medicare Advantage plans and plans that demonstrate improvement and better outcomes such as reduced readmissions, and better outcomes of its enrollees. This is about better quality care, not rationed care. A plan that cuts back on care and produces worse outcomes would not receive any extra payment.**

Chain Email Claim: "Pg 341 Lines 3-9 Govt has authority 2 disqual Medicare Adv Plans, HMOs, etc. Forcing peeps in2 Govt plan"

- **This only says it can disqualify participating plans from Medicare Advantage. This would not result in seniors being forced into the public option. They would remain on Medicare (which is, by the way, a government plan).**

Chain Email Claim: "Pg 354 Sec 1177 - Govt will RESTRICT enrollment of Special needs ppl! WTF. My sis has down syndrome!!"

- **This ensures that chronic condition special needs plans (SNPs) enroll beneficiaries only during their eligibility periods and extends the SNP program through 2012, and extends certain fully integrated dual eligible SNPs through 2015.**

Chain Email Claim: "Pg 379 Sec 1191 Govt creates **more bureaucracy** - Telehealth Advisory Cmtte. Can u say HC by phone? 84 new govt agencies!"

- **Telehealth is a critical service for rural populations and the disabled who may have difficulty traveling to health centers and hospitals. A committee at HHS does not constitute a new agency. This section expands Medicare's telehealth benefit to beneficiaries who are receiving care at freestanding dialysis centers (i.e. very sick patients who have difficulty traveling). It also establishes a Telehealth Advisory Committee to provide HHS with additional expertise on the telehealth program.**

Chain Email Claim: "PG 425 Lines 4-12 Govt mandates Advance Care Planning Consult. Think Senior Citizens end of life"

- **There is no mandate for this sort of counseling. The only mandate is that Medicare must pay for the consultation between patients and practitioners to discuss plans for end-of-life care. These are important individual decisions that take time and consideration, and AARP supports inclusion of this planning provision.**

Chain Email Claim: "Pg 425 Lines 17-19 Govt will instruct & consult regarding living wills, durable powers of atty. Mandatory!"

- **Not mandatory! These are consultations between you and your provider, not the government.**

Chain Email Claim: "PG 425 Lines 22-25, 426 Lines 1-3 Govt provides apprvd list of end of life resources, guiding u in death"

- **CMS will provide planning resources to discuss with your doctor about how you would like to be treated in your final days.**

Chain Email Claim: "PG 427 Lines 15-24 Govt mandates program 4 orders 4 end of life. The Govt has a say in how ur life ends"

- **You decide how your life ends- that is the whole point of an advance directive.**

Chain Email Claim: "Pg 429 Lines 1-9 An "adv. care planning consult" will b used frequently as patients health deteriorates"

- **Those lines don't say that.**

Chain Email Claim: "PG 429 Lines 10-12 "adv. care consultation" may incl an ORDER 4 end of life plans. AN ORDER from GOV"

- **No, an order from you for your doctor**

Chain Email Claim: "Pg 429 Lines 13-25 - The govt will specify which Doctors can write an end of life order."

- **The bill specifies which categories of licensed health care professionals can write them but not which specific doctor – you can still choose your doctor.**

Chain Email Claim: "PG 430 Lines 11-15 The Govt will decide what level of treatment u will have at end of life"

- **No, you decide with your doctor**

Chain Email Claim: "Pg 469 - Community Based Home Medical Services= Non profit orgs. Hello, ACORN Medical Svcs here!!?"

- **This section is the Medical home pilot program. This in no way refers to acorn.**

Chain Email Claim: "Page 472 Lines 14-17 **PAYMENT TO COMMUNITY-BASED ORG.** 1 monthly payment 2 a community-based org. Like ACORN?"

- **The *community based medical home*, is targeted at a broader population of Medicare beneficiaries with chronic diseases and allows for State-based or non-profit entities to provide care-management supervised by a beneficiary designated primary care provider. A provision inclusive of all non-profit entities in no way targets ACORN**

Chain Email Claim: "PG 489 Sec 1308 The Govt will cover Marriage & Family therapy. Which means they will insert Govt in 2 ur marriage"

- **Medicare will now cover state licensed marriage and family therapists. You are not forced to receive these services.**

Chain Email Claim: "Pg 494-498 Govt will cover Mental Health Svcs including defining, creating, rationing those svcs"

- **Medicare will now cover mental health counselors. It will not ration these services.**